Message Text

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INFO OCT-01 ISO-00 AF-08 ARA-06 EA-07 EUR-12 NEA-10 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 NSCE-00 SSO-00 USIE-00 INRE-00 EB-07 COME-00 AID-05 SIL-01 LAB-04 OMB-01 TRSE-00 OIC-02 /116 W

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O 072215Z JAN 77 FM USMISSION USUN NY TO SECSTATE WASHDC IMMEDIATE 1970

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E.O. 11652: N/A

TAGS: EGEN, UN, ECOSOC, EINV

SUBJ: COMMISSION ON TNC'S: SELECTION OF PRIVATE PERSONS TO ASSIST THE COMMISSION

REF: (A) USUN 0028; (B) STATE 3112

1. SUMMARY: ALTHOUGH NO FORMAL DECISION WAS TAKEN, THE WEO GROUP IN GENERAL ENDORSED THE CANDIDATES PROPOSED BY TN CENTRE EXECUTIVE DIRECTOR SAHLGREN TO SERVE AS PRIVATE CONSULTANTS TO THE TNC COMMISSION. U.S. REPRESENTATIVE RAISED OUR CONCERNS PER REFTEL B WITH REGARD TO EXPANDING GROUP, ADDING AN LDC BUSINESS REPRESENTATIVE, AND CONSULTATIONS WITH MEMBERS STATES. THE G-77 AND EAST EUROPEANS ARE STILL CONSIDERING SAHLGREN'S PROPOSALS. SAHLGREN CONSIDERS IT LIKELY THAT EAST EUROPEANS WILL ASK FOR ONE ADDITIONAL POSITION, INCREASING THE GROUP TO TWENTY. WITH REGARD TO THE INTERGOVERNMENTAL WORKING GROUP ON A CODE OF CONDUCT, CONSENSUS WAS THAT THE JANUARY 10-14 SESSION WOULD BE BASICALLY ORGANIZATIONAL AND THAT THE SWEDISH CANDIDATE WOULD BE ELECTED CHAIRMAN. END SUMMARY.

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2. WEO REPRESENTATIVES (NETHERLANDS, ITALY, CANADA, FRG, UK, JAPAN, SWEDEN, FRANCE, AND U.S.) MET WITH CENTRE ON TRANSNATIONAL CORPORATIONS EXECUTIVE DIRECTOR SAHLGREN ON FRIDAY, JANUARY 7, TO DISCUSS SAHLGREN'S PROPOSALS WITH REGARD TO PRIVATE PERSONS TO ASSIST THE TCN COMMISSION. SAHLGREN OPENED THE DISCUSSIONS BY OUTLINING THE PROCEDURES HE FOLLOWED IN SELECTING CANDIDATES (USING FOR THE MOST PART

NGO'S IN CONSULTATIVE STATUS WITH THE UN RATHER THAN ASKING FOR NATIONAL GOVERNMENT NOMINEES), NOTED THAT HE HAD INFORM-ALLY CHECKED WITH NATIONAL GOVERNMENTS ON THEIR ACCEPTABIL-ITY, AND HAD CHECKED WITH THE INDIVIDUALS INVOLVED TO ASSURE THAT THEY WOULD BE WILLING TO SERVE. WITH REGARD TO HIS PROPOSED EXPANSION OF THE GROUP FROM FIFTEEN TO NINETEEN, SAHLGREN SAID THAT THE FRENCH AND SWISS HAD INDICATED THEIR UNHAPPINESS WITH NOT BEING INCLUDED (LIOTARD-VOGT COVERS BOTH CATEGORIES AS A FRENCH NATIONAL MANAGING DIRECTOR OF A SWISS CORPORATION), THE AFRICANS HAD FELT THAT THEY WERE UNDER-REPRESENTED, SEVERAL LATIN AMERICAN AMBASSADORS (LED BY MEXICO) HAD URGED HIM TO INCLUDE SOMAVIA, AND THE TRADE UNIONS HAD INSISTED ON PARITY WITH BUSINESS REPRESENTATIVES. HE NOTED THAT THE EAST EUROPEANS WERE CURRENTLY CONSIDERING HIS PROPOSALS. HAD INDICATED THAT WITH THE ENLARGEMENT OF THE GROUP THEY FELT THAT THEY SHOULD RECEIVE AN ADDITIONAL POSI-TION (I.E., BRINGING THE GROUP TO TWENTY).

3. IN ACCORDANCE WITH INSTRUCTIONS, THE U.S. REPRESENTATIVE QUESTIONED THE EXPANSION OF THE GROUP ON THE GROUNDS THAT A SMALLER GROUP WOULD BE MORE EFFECTIVE. WE SUGGESTED THAT THE EXPANSION OF THE GROUP, IF THAT WERE SEEN TO BE NECESSARY, COULD PROVIDE AN OPPORTUNITY FOR THE ADDITION OF AN LDC BUSINESSMAN. FINALLY, WE STATED THAT THE USG CONSIDERED IT IMPORTANT THAT ALL MEMBERS STATES BE CONSULTED, IN PARTICULAR THOSE MEMBER STATES WHOSE NATIONALS WERE BEING PROPOSED AS PRIVATE CONSULTANTS TO THE COMMISSION.

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4. IN RESPONSE TO THESE COMMENTS, SAHLGREN NOTED THAT ALTHOUGH THE MODALITIES FOR THE PRIVATE CONSULTANTS HAD YET TO BE SETTLED, HE DID NOT ENVISAGE THEM OPERATING AS A COLLECTIVE UNIT, AND THUS WITHIN REASONABLE LIMITS THE NUMBER OF CONSULTANTS SHOULD NOT HAVE AN IMPACT ON THEIR EFFECTIVENESS. HE ACKNOWLEDGED THAT THERE WERE NO LDC BUSINESS REPRESENTATIVES ON HIS LIST BUT POINTED TO BABAR ALI (PAKISTAN), WHOSE BACKGROUND WAS BASICALLY IN THE PRI-VOATE BUSINESS SECTOR. HE RHETORICALLY ASKED IF WE HAD ANY SPECIFIC CANDIDATE TO PROPOSE AND POINTED OUT THE DIFFICULTY HE FACED IN COMING UP WITH CANDIDATES TO MEET ALL POSSIBLE CRITERIA. FINALLY, WITH REGARD TO CONSULTATIONS, SAHLGREN ACKNOWLEDGED THAT HE HAD NOT CONSULTED WITH THE GOVERNMENT OF CHILE ON THE SOMAVIA NOMINATION BUT HAD BEEN ASSURED THAT AS LONG AS THEY WERE FOMALLY NOT ASKED TO APPROVE HIS SELECTION, THE GOVERNMENT OF CHILE WOULD INTERPOSE NO OBJECTIONS

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5. OTHER REPRESENTATIVES AT THE MEETING DID NOT SUPPORT US ON ANY OF THE ABOVE POINTS. MOST (NETHERLANDS, ITALY, CANADA, JAPAN, AND SWEDEN) INDICATED THAT THEY WERE WILLING TO SUPPORT SAHLGREN'S PROPOSALS, INCLUDING ENLARGING THE GROUP. THE UK AND THE FRG ATTEMPTED WITHOUT SUCCESS TO LINK THE ENLARGEMENT OF THIS GROUP TO THE POSSIBLE ENLARGEMENT OF THE WORKING GROUP ON ILLICIT PAYMENTS. JAPAN QUESTIONED ONLY THE FINANCIAL IMPLICATIONS OF ENLARGING THE GROUP (ACCORDING TO SAHLGREN, NONE).

6. SAHLGREN MADE NO ATTEMPT TO OBTAIN FORMAL APPROVAL OF HIS PROPOSALS AT THIS MEETING. SOME REPRESENTATIVES SUGGESTED THAT WE GET THE REACTIONS FROM THE G-77 AND THE EAST EUROPEANS BEFORE MAKING A COMMITMENT. IN SUMMARIZING THE SITUATION, SAHLGREN INDICATED THAT UNLESS HE HEARD TO THE CONTRARY, HE WOULD ASSUME THAT THE WEO'S COULD GO ALONG WITH HIS PROPOSALS. AFTER THE MEETING THE U.S. REPRESENTATIVE EMPHASIZED AGAIN OUR VARIOUS CONCERNS AND INDICATED THAT WE WERE NOT NOW IN A POSITION EITHER TO ACCEPT OR REJECT SAHLGREN'S PROPOSALS.

7. THERE WAS A BRIEF DISCUSSION OF THE MODALITIES FOR LIMITED OFFICIAL USE

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THE WORK OF THE PRIVATE CONSULTANTS. SAHLGREN EXPRESSED

HIS VIEWS THAT THEY WOULD NOT OPERATE AS A UNIT BUT THAT THEY WOULD BE GIVEN ON AN INDIVIDUAL BASIS ACCESS TO DOCUMENTATION AND THE RIGHT TO PARTICIPATE IN THE WORK OF THE COMMISSION. NO WEO REPRESENTATIVE PRESENT OBJECTED TO THIS ALTHOUGH IT WAS CLEAR THAT THIS WHOLE QUESTION WOULD BE DISCUSSED AT THE JANUARY 10-14 MEETING OF THE INTERGOVERNMENTAL WORKING GROUP ON A CODE OF CONDUCT.

8. SAHLGREN CONCLUDED THIS PART OF THE DISCUSSION BY EMPHASIZING THAT HE HAD BEEN ASKED TO MAKE PROPOSALS ON THE COMPOSITION OF THE GROUP OF PRIVATE CONSULTANTS AND HAD DONE SO. IF HIS PROPOSALS WERE NOT ACCEPTABLE TO THE EMMBERS OF THE COMMISSION, IT WOULD BE THEIR RESPONSIBILITY TO FORMULATE AND APPROVE ALTERNATIVES. SAHLGREN WAS HOPE-FUL THAT HIS PROPOSALS WOULD BE ACCEPTED AND WOULD FORMALLY BE APPROVED AT A RESUMED SESSION OF THE COMMISSION WHICH COULD BE CONVENED DURING THE MEETING OF THE WORKING GROUP ON A CODE OF CONDUCT. THE FRG SUGGESTED THAT, ALTHOUGH NOT REQUIRED, ECOSOC AT ITS ORGANIZATIONAL SESSION (JANUARY 11 TO 14) ALSO BE ASKED TO APPROVE THE LIST OF PRIVATE CONSULTANTS.

9. TURNING TO THE FORTHCOMING MEETING OF THE INTERGOVERN-MENTAL WORKING GROUP ON A CODE OF CONDUCT, SAHLGREN SAID THAT HE EXPECTED IT WOULD BE ESSENTIALLY ORGANIZATIONAL, SINCE THE DOCUMENTATION WOULD NOT BE AVAILABLE PRIOR TO THE MEETING AND THE LDC REGIONAL GROUPS HAD NOT HAD PREPARATORY MEETINGS. SAHLGREN MADE A PITCH FOR THE ELECTION OF STEN NIKLASSON TO BE CHAIRMAN OF THE WORKING GROUP (WEO TURN TO HAVE THE CHAIRMANSHIP, NIKLASSON TECHNICALLY COMPETENT, SWEDISH REPRESENTED MIDDLE-OF-THE-ROAD POSITION AND, THEREFORE, GENERALLY ACCEPTABLE, AND PERSONAL FRIEND WITH WHOM HE COULD WORK). IN THE ENSUING IT WAS INFORMALLY AGREED THAT NIKLASSON WOULD BE THE WEO CANDIDATE. SAHLGREN REPORTED THAT ARGENTINA HAD INDICATED LIMITED OFFICIAL USE

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ITS INTEREST IN BEING VICE CHAIRMAN AND THAT THE EAST EUROPEANS WOULD PROBABLY SEEK THE OTHER VICE CHAIRMAN SLOT. HE URGED REPRESENTATIVES TO THINK SERIOUSLY ABOUT THE RAPPORTEUR POSITON (PROBABLY AFRICA, SINCE ASIA WAS RAPPORTEUR AT THE SECOND SESSION OF THE COMMISSION). FINALLY, SAHLGREN ANNOUNCED THAT THE CENTRE RATHER THAN THE ECOSOC SECRETARIAT WOULD SERVE AS THE SECRETARIAT FOR THE WORKING GROUP (I.E., DISPLACING THE SOVIET WHO HAS IN THE PAST BEEN ASSIGNED TO STAFF TNC MEETINGS).

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